

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6560

BILL NUMBER: SB 130

NOTE PREPARED: Feb 23, 2012

BILL AMENDED: Feb 23, 2012

SUBJECT: Environmental Board Consolidation.

FIRST AUTHOR: Sen. Gard

FIRST SPONSOR: Rep. Wolkins

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill repeals certain statutes creating the following boards: (1) Air Pollution Control Board. (2) Water Pollution Control Board. (3) Solid Waste Management Board. It establishes the Environmental Rules Board. It transfers certain powers and duties of the repealed boards to the consolidated board. It requires that a member of the consolidated board representing a certain constituency possess knowledge, experience, or education that qualifies the individual to represent the constituency being represented. It requires the consolidated board to appoint a technical secretary. It allows the consolidated board to appoint: (1) legal counsel; and (2) members of advisory committees. It requires the consolidated board to use rulemaking procedures to adopt rules. The bill also transfers to the consolidated board duties of the Department of Environmental Management (IDEM) to adopt certain rules related to: (1) treatment plant or water distribution systems certification programs; and (2) the Waste Tire Management Fund.

The bill requires an NPDES permit holder to review the feasibility of implementing additional or modified control measures to attain water quality standards if post-construction monitoring results indicate that performance criteria established for combined sewer overflow (CSO) control measures constructed in accordance with an approved long-term control plan will not be met. (Current law requires an NPDES permit holder to conduct a review of the feasibility of implementing additional or new control alternatives periodically, but not less than every five years after approval of the long-term control plan by IDEM.)

Effective Date: July 1, 2012; January 1, 2013.

Explanation of State Expenditures: (Revised) *Indiana Department of Environmental Management (IDEM):* This bill provides that a technical secretary and legal counsel will be employed by IDEM to serve the

consolidated board. It is estimated that these two positions will cost about \$200,000, accounting for salary, fringe benefits, and other indirect costs.

In addition, this bill makes changes to the process of review for NPDES permit holders concerning combined sewer overflow control measures constructed in accordance with an approved long-term control plan. These provisions could result in increased IDEM staff time.

(Revised) *Consolidation of Boards into the Environmental Rules Board:* Consolidation of these three boards into the Environmental Rules Board could result in a reduction in expenses for IDEM. The extent of the savings will depend upon the number of meetings held and the amount of expenses (per diem and travel reimbursement) claimed by the members of the new board.

The Environmental Rules Board created by this bill will be composed of 16 members. The ex officio members of the Environmental Rules Board will be the Commissioner of the State Department of Health, the Director of the Department of Natural Resources, the Lieutenant Governor, the Secretary of Commerce, and the Commissioner of IDEM, who will serve as a non-voting member. Eleven members will be appointed by the Governor representing various sectors. The members of the board (excluding the ex officio members) are entitled to salary per diem and reimbursement for traveling expenses. The bill transfers all powers, duties, and liabilities from the abolished boards to the new Environmental Rules Board established by the bill.

Background Information - Air Pollution Control Board: The Air Pollution Control Board has 12 members: 4 ex officio members, and 8 members representing various constituencies appointed by the Governor. Statute requires the board to meet six times. During FY 2011, the board had expenses of about \$5,000 paid from the Air EPA Federal Grant Fund.

Water Pollution Control Board: The Water Pollution Control Board has 12 members: 4 ex officio members, and 8 members representing various constituencies appointed by the Governor. The board usually holds six meetings a year. During FY 2011, the board had expenses of about \$2,000 paid from the Water EPA Federal Grant Fund.

Solid Waste Management Board: The Solid Waste Management Board consists of 14 members: 10 members appointed by the Governor to represent specific constituencies and 4 ex officio members representing other state agencies involved in environmental issues. Statute requires the board to meet six times per year. During FY 2011, the board had expenses of about \$1,400 paid from the Solid Waste Management Fund.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: IDEM.

Local Agencies Affected:

Information Sources: IDEM website; Brad Baughn, IDEM, 317-234-3386.

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